

4 FAH-3 H-330 DISBURSING AND REPORTING

4 FAH-3 H-331 GENERAL

(TL:FMP-2; 4-30-95)

This subchapter prescribes requirements for Department employees who are designated by the Treasury Department as United States Disbursing Officers and by the State Department as cashiers. Responsibilities of cashiers for disbursing operations are further detailed in 4 FAH-3 H-390 .

4 FAH-3 H-331.1 Definitions

(TL:FMP-2; 4-30-95)

a. An **Accountable Officer** is any Government official who, on behalf of the United States, receives and maintains public funds, certifies vouchers, or maintains and draws checks upon accounts of the United States. This term applies to any employee designated as a U.S. Disbursing Officer, cashier, certifying officer, or collection officer, and to any official in possession of official funds.

b. A **United States Disbursing Officer** (USDO) is an accountable officer who derives authority to disburse by direct delegation from the Chief Disbursing Officer (CDO) of the Department of Treasury.

c. A **cashier** (including an alternative cashier or a subcashier) is an accountable officer or employee designated by an official responsible for making disbursements (USDO, Financial Management Officer) or by the Department (FMP/F/IFS).

d. A **certifying officer** is a designated accountable officer or employee responsible for certifying payment vouchers for one or more agencies.

4 FAH-3 H-331.2 Responsibilities and Limitations

4 FAH-3 H-331.2-1 Public Money Responsibility

(TL:FMP-2; 4-30-95)

a. Pursuant to the provisions of 31 U.S.C. 3322, a USDO (or assistant USDO) shall:

- (1) Deposit public money as required in 4 FAH-3 H-315 ; and
- (2) Draw public money from the Treasury or a designated depository only:

—As necessary to make payments, and

—Payable to persons to whom payment is to be made.

b. A USDO is not liable for an overpayment provided under a U.S. Government bill of lading or transportation request when the overpayment is caused by the:

- (1) Use of improper transportation rates or classifications; or
- (2) Failure to deduct the proper amount under a land grant law, or an equalization or other agreement.

4 FAH-3 H-331.2-2 Voucher Disbursements

(TL:FMP-2; 4-30-95)

Pursuant to the provisions of 31 U.S.C. 3325(a), except for the correctness of computations on a certified voucher, a USDO is held accountable for:

- (1) Disbursing money only as provided by a voucher which is certified by:

—The head of the executive agency concerned; or

—An officer or employee who is authorized to certify vouchers (see 4 FAH-3 H-335.1-1).

- (2) Examining a voucher as necessary to decide if it is:

—In proper form;

—Certified and approved; and

—Computed correctly based on the facts certified.

In view of the statutory responsibility of certifying officers (see 4 FAH-3 H-430), a USDO is not required to verify the propriety or legality of vouchers which are in proper form, properly approved, and certified for payment. However, if in the course of exercising the disbursing function and without specific audit or examination, an error is discovered, the voucher is to be returned to the certifying officer for correction.

4 FAH-3 H-331.3 Cashier Review

(TL:FMP-2; 4-30-95)

For each authorized cashier, the designating official (USDO, FMO or FMP/F/DFS) shall:

(1) Establish and maintain a file on each cashier which includes the request for designation, each request for increase or decrease of the fund, and any other correspondence related to the fund including a record of unannounced verifications. (See the FMS Disbursing User Manual (DUM));

(2) Periodically review each cashier advance for propriety and activity as indicated in section 4 FAH-3 H-315.2 ; and

(3) Annually, or whenever there is a change in USDO, review and certify as to the completeness of each cashier file (see 4 FAH-3 H-393.2-6) as provided in the FMS Disbursing User Manual (DUM). Such certification (written statement) is provided to FMP/F/DFS upon request. A copy of each certification is kept in the cashier's file until the next inspection or audit by the Office of Inspector General, (see 4 FAH-3 H-393.2-6).

4 FAH-3 H-332 GENERAL PROVISIONS

4 FAH-3 H-332.1 Methods of Disbursement

(TL:FMP-2; 4-30-95)

a. A U.S. dollar obligation may be paid in either U.S. dollars or in local currency provided there is no restriction which limits the form of payment to local currency. In excess and near-excess currency countries, dollar voucher payments are paid in local currency whenever possible.

b. A local currency obligation is paid in the same currency as that in which the obligation was originally established. Under emergency conditions, properly authorized payments of local currency expense vouchers of employees may be paid in dollars. Payments are made in dollar equivalents where the employee can satisfactorily establish the exchange rate at the time of acquisition of the currency, provided there is no disadvantage to the U.S. Government.

c. Disbursements by a USDO are made by either:

(1) Cash or checks, either U.S. dollar checks drawn on the U.S. Treasury's General Account (see 4 FAH-3 H-340), or local currency checks drawn on a designated depositary account (see 4 FAH-3 H-350); or

(2) Automated no-check payment process approved by Treasury which consists of magnetic tape, diskette, electronic funds transfer, or computer listing which directs a bank to credit a vendor's account with a corresponding debit to the account of the USDO (see 4 FAH-3 H-434).

d. Cash disbursements by a designated cashier to accommodate payments for small purchases, ORE, etc. may not exceed \$500 (See 4 FAH-3 H-394.1) and in an emergency may not exceed \$3,000, with a certified voucher (See 4 FAH-3 H-394.2-1).

4 FAH-3 H-332.2 Control Over Disbursements

4 FAH-3 H-332.2-1 Objectives

(TL:FMP-2; 4-30-95)

The principal objectives of control over disbursements are to insure that all disbursements are:

- Legal;
- Proper;
- Correct;
- Accurately recorded; and
- Reported in a timely and efficient manner.

Disbursements should be in conformity with Department of State principles and standards for internal management control and cash management policies, as established by FMP and published in Volume 4 of the Foreign Affairs Manual, and with Department of the Treasury regulations.

4 FAH-3 H-332.2-2 Reporting Large Disbursement

(TL:FMP-2; 4-30-95)

a. Advance notice to the Department of the Treasury of any disbursement or deposit of \$50,000,000 or more is required by 1 TFM 4-2500 and 1 TFM 5-4500.

b. A USDO disbursing \$50 million or more to a single payee, other than another Government agency, will report on the day of the disbursement:

- The name of the approving agency;
- The amount disbursed;

—The name and address of the payee (or payee's bank if the funds are so directed); and

—The method of disbursement to:

Funds Control Branch
Accounting Control Division
Financial Management Service
Department of the Treasury
Treasury Annex No. 1
Attention: GAO Bldg. Room 3108
Washington, D.C. 20227

4 FAH-3 H-332.2-3 Multiple Payments

(TL:FMP-2; 4-30-95)

For a payment of \$1 million or more, the USDO will issue several checks, each less than \$1 million, which add up to the total amount to be paid.

4 FAH-3 H-332.3 Basic Disbursement Requirement

(TL:FMP-2; 4-30-95)

a. All disbursements, whether in cash, by check or electronic funds transfer, for authorized and lawful payments shall be certified and supported by standard disbursement forms as authorized by the Managing Director, Domestic Financial Services (FMP/F/DFS) (see 4 FAH-3 H-430). Sufficient information should be shown on the disbursement vouchers or on documents attached thereto to enable the audit of the transaction and make settlement with certifying and disbursing officers, as required by law.

b. To prevent duplicate payments, vouchers, voucher-schedules or computer files with associated vouchers must be identified with a unique voucher reference number to prevent their being processed for payment a second time.

4 FAH-3 H-332.4 Rate of Exchange (Disbursement)

(TL:FMP-2; 4-30-95)

a. The rate of exchange for disbursements is the official USDO rate of exchange (prevailing rate, see 4 FAH-3 H-333.2-3 b(1)) on the date the payment is authorized, unless a different rate is specified by the certifying official. For payroll vouchers to local employees, the applicable rate of exchange as of the payment date is used.

b. In countries or areas where the Department of State and the Department of the Treasury have approved the use of a rate more favorable than the legal rate (see 4 FAH-3 H-333.2-3 b(3)), the Treasury approved rate is used.

c. U.S. dollar equivalents are computed to the nearest cent, counting one-half cent and over as a whole cent.

d. For the rate of exchange for the acquisition of foreign currency, see 4 FAH-3 H-333.2 .

4 FAH-3 H-332.5 Withholding Delivery of Checks

(TL:FMP-2; 4-30-95)

a. Checks intended for delivery to those countries cited in 31 CFR 211 (Delivery of Checks and Warrants to Addresses Outside the U.S., Its Territories and Possessions) are withheld unless a release for delivery is specifically authorized by the Department of the Treasury. A power of attorney for the receipt or collection of such checks cannot be recognized.

b. The restrictions of 31 CFR 211 (to obtain a release of delivery of checks from the Department of the Treasury) do not apply to payments to foreign governments, for salaries or wages, or for goods or services purchased by the Government of the United States in foreign countries, unless such payments are subject to the Foreign Assets Control Regulations (31 CFR 500), the Cuban Assets Control Regulations (31 CFR 515), or the Foreign Funds Control Regulations (31 CFR 520).

c. Claims for the release of checks withheld from delivery, and claims for the proceeds of checks shall be processed by the USDO.

(1) When the payment for a withheld check has been deposited with the Department of the Treasury, such claim for release is filed with:

Finance Division
Financial Management Services
Department of the Treasury
Washington, D.C. 20227

(2) However, a claim for a withheld check issued by the Department of Veterans Affairs is filed with:

Secretary of Veterans' Affairs
Washington, D.C. 20402

(3) The Department of the Treasury will obtain from the agency concerned a report and recommendation on each claim prior to payment.

4 FAH-3 H-333 OBTAINING FUNDS FOR DISBURSEMENTS

4 FAH-3 H-333.1 General

(TL:FMP-2; 4-30-95)

A USDO may obtain funds for official disbursements, subject to the FSA funds limitation (see 4 FAH-3 H-315.1), by the following methods:

(1) Use of collections, including suspense deposits abroad (see 4 FAH-3 H-320).

(2) Issuance and negotiation or deposit of Treasury checks.

(3) Exchange transactions for official purposes as follows:

—Purchase of foreign currency with U.S. dollar Treasury checks or cash.

—Purchase of foreign currency drafts for the purpose of remitting payments to Government creditors.

—Purchase of U.S. currency, checks, drafts, bills of exchange, or other instruments payable in U.S. dollars, with foreign currency, checks, drafts, bills of exchange, or other instruments representing official funds for which the USDO is accountable.

(4) Purchase of funds from the Chief Disbursing Officer (CDO), Department of the Treasury or other accounting officer is by:

—Book transfer of funds (accounting entry transfers between accounts).

—Cable transfer of funds.

—Shipment of U.S. or foreign currency.

(5) Funds for or from accommodation exchange transactions as provided in 4 FAH-3 H-360 .

4 FAH-3 H-333.2 Acquisition of Foreign Currency

4 FAH-3 H-333.2-1 General

(TL:FMP-2; 4-30-95)

a. In countries where the Department of the Treasury has large balances of local currency, or where local currency is available under surplus property agreements or other credits, all purchases of local currency are made from the Department of the Treasury (20 FT accounts) to the extent an exchange for the purposes intended is available (See 4 FAH-3 H-315). Where no currency is available from the Department of the Treasury, or other FT accounts (e.g. sale of United States Government products or services), or where the only currency available from Treasury sources is currency due under agreements in which the use of such currency is restricted, local currency to cover routine disbursing requirements may be purchased from sources engaged in foreign exchange transactions which are recognized by the host government, and under the circumstances described in 4 FAH-3 H-364 .

b. In countries experiencing substantial rate of exchange fluctuations, a USDO should purchase or transfer local currency on an as needed basis for the Foreign Service Accountability (FSA) account, so as to limit any loss by exchange.

4 FAH-3 H-333.2-2 Treasury Sources

(TL:FMP-2; 4-30-95)

a. The method of purchase of funds from a Treasury account is made by a book transfer of funds. Transactions are documented on Form OF-1017G, Journal Voucher. Form OF-1017G shall cite the FT account to be debited, and the agency account to be credited.

b. The following list of Treasury FT sales accounts are in the order of required use as well as the accounts to be credited with the proceeds:

Account Debited	Account Credited
20FT290 ¹	See 4 FAH-1 H-272
20FT210 ¹	19X0535
20FT470	71X4030
20FT400	12X4336
20FT100	20F3810
20FT290(—) ²	See note 2 below

¹ To be used conjointly on a first-in, first-out basis.

² Such accounts are noted by parenthesis after the account symbol. The account to be credited or any change in the sequential order are furnished at the same time.

c. The rate of exchange used for the purchase of foreign currency from a Treasury 20FT account should be first at the prevailing rate of exchange in effect on the date of purchase, next at the rate specified in the agreement which generated the funds, or at the approved Treasury rate, as applicable.

4 FAH-3 H-333.2-3 Other Sources

(TL:FMP-2; 4-30-95)

a. Method of Purchase

(1) The purchase of funds from foreign exchange institutions is normally made with a Treasury check, electronic fund transfer, or other Treasury approved method.

(2) The purchase of local currency from a non-Treasury directed source is documented with a signed exchange receipt, received from the bank or exchange office at the time of purchase which identifies all particulars of the exchange. If the bank will not agree to provide a signed exchange receipt with the necessary information, document the purchase of the local currency on Form OF-176 (formerly Form FS-92), Exchange Voucher.

(3) Each purchase transaction is recorded on Form DS-1694, Exchange Transaction Record (see 4 FAH-3 H-366). If a cashier at a non-USDO post is instructed to purchase local currency from a commercial source, the receipt is submitted with the individual Form OF-234, Exchange Transaction Voucher, to the USDO for attaching to the consolidated Form OF-234.

b. Rate of Exchange. Local currency purchased from sources other than the U.S. Government is acquired at the most favorable rate available to the U.S. Government in accordance with the laws of the country. The exchange should be in relation to the proposed use. The rates are explained as follows:

(1) Prevailing Rate. The most favorable legal (official) rate, depending on the circumstances in each country, may be any officially established buying rate for local currency, including diplomatic or special rates established by agreement with the authorities of the country. When a prevailing rate is so established (fixed), the purchase of foreign currency is made at the most favorable rate applicable to the particular transaction.

(2) **Parallel Legal Rate.** When rates legally applicable to the particular transactions are not fixed, or when such rates are fixed but the use of other rates is also legal, then the local currency is purchased at the most favorable rate obtainable. When local currency is purchased at nonfixed legal rates, bids for the rate of exchange are informally solicited from at least three sources. The most favorable quoted exchange rate is accepted by the USDO. However, if the legally fixed rate is more favorable, the local currency is purchased at the fixed rate. The USDO should maintain a record of formal bids received.

(3) **Rate More Favorable Than Legal Rate.** Local currency is purchased at a rate more favorable than the legal rate only if the principal post in the country has specific authorization to do so from the Department of State and the Department of the Treasury. The Department (FMP/FO/BFC) notifies the USDO and the Post Financial Management Officer, who retain the authorization in their files.

(4) **Questionable Rate.** The following situations should be reported to the Department of State for review: when the local currency is obtained through official sources, and the rate of exchange being used is considered to be unsatisfactory or inequitable, and the rate has not been established by United States-host country agreement. The post should not raise the question with the host government. Specific authority from the Department of State and the Department of the Treasury is required before a U.S. Government representative can approach the authorities of a foreign country for a special exchange rate. Only in very unusual circumstances is this authority granted.

(5) In all cases where currency is purchased through bids, the USDO or the Financial Management Officer must document the bids received.

4 FAH-3 H-334 ADVANCES OF PUBLIC MONEY

4 FAH-3 H-334.1 Authority

(TL:FMP-2; 4-30-95)

No advance of public money shall be made unless authorized by the appropriation concerned or other law. (31 U.S.C. 3324).

4 FAH-3 H-334.2 Authorized Transactions

(TL:FMP-2; 4-30-95)

Advances of public money are authorized by specific appropriation or other statute and may be made if determined absolutely necessary for effective management. A payment under a contract to provide a service or deliver an article may not be more than the value already provided or

delivered. The purpose for the advance must meet the criteria of the governing agency regulations, including but not limited to, the following:

a. Advances to disbursing officers of the USG as necessary for the faithful and prompt discharge of their respective duties, and to carry out an obligation of the Government. (31 U.S.C. 3324.)

b. Advances of funds to cashiers for disbursing purposes in accordance with the provisions in 4 FAH-3 H-390 .

(1) Overseas, a USDO carries the amount of the cash advance as a cash inventory item, and reports such amount on Form SF-1218, Statement of Accountability (Foreign Service Account), and on Form FS-467, Analysis of Balance Due United States. The advance is not recorded as an expenditure.

(2) Domestic cashiers receive an advance through FMP/F/DFS which is carried in memorandum account 7092, and is reported to Treasury on the monthly Form SF-224 (Statement Of Transactions (Classified According To Appropriation, Fund And Receipt Account, And Related Control Totals)) under the applicable appropriation symbol, prefixed by (41).

c. Subscription charges for newspapers, magazines, periodicals, and other publications for official use. (31 U.S.C. 3324.)

d. Travel advances to employees (5 U.S.C. 5705) (see 4 FAH-3 H-463).

e. Transfer allowance advances to employees (5 U.S.C. 5922) (see 4 FAH-3 H-464).

f. Advance rental payments of less than 10 years. (22 U.S.C. 2670.)

g. Advance payments under contracts for property or services not to exceed the unpaid contract. (41 U.S.C. 255)

h. Training and tuition fees. (5 U.S.C. 4109; 22 U.S.C. 1045.)

i. Advance payment of salary, allowances, and differentials to or for the account of an employee whose evacuation (or that of an employee's dependents or immediate family) is ordered under emergency evacuation procedures. (5 U.S.C. 5522.)

j. Advance payment, in whole or in part, of the estimated or actual cost, for materials, supplies, equipment, work, or services ordered from another USG department, establishment, bureau, or office, when requested in writing by the department, establishment, bureau, or office so requisitioned. (31 U.S.C. 1535.)

k. Insurance on official motor vehicles operated by the Department abroad. (22 U.S.C. 2670.)

l. Health and life insurance for local employees. (22 U.S.C. 889; 40 Comp. Gen. 650.)

m. Insurance on objects of art loaned or rented for purposes of the Foreign Service Buildings Act. (22 U.S.C. 296.)

n. Advance payment of Earned Income Credit (EIC) (see 4 FAH-3 H-538).

o. Advance of pay upon assignment to a post in a foreign area (5 U.S.C. 5927) (see 4 FAH-3 H-536).

4 FAH-3 H-335 PROCESSING PAYMENTS

4 FAH-3 H-335.1 Verification of Certification Requirement

4 FAH-3 H-335.1-1 Certification Requirement

(TL:FMP-2; 4-30-95)

A USDO may disburse funds from appropriations of the United States Government only on the basis of vouchers and/or voucher schedules, as defined in 4 FAM 410 , which are properly certified by:

—A Department certifying officer whose name and facsimile signature appear on the “Official List of Authorized Certifying Officer,” or a current supplement thereto (See 4 FAH-3 H-066);

—A principal officer at a fiscal-servicing post (See 4 FAH-3 H-066);

—A certifying officer of another agency only when the USDO is in possession of a current listing of the agency’s certifying officers or an approved specimen signature card of the officer concerned (See 4 FAH-3 H-067); and

—A certifying officer of any USG agency when the voucher payment has been authorized by Treasury Department Chief Disbursing Officer, or designee, and forwarded by the Treasury for payment (See details in 4 FAH-3 H-336.2).

4 FAH-3 H-335.1-2 Verification of Schedules

(TL:FMP-2; 4-30-95)

a. Before payments are processed, the USDO is responsible for verifying that the schedules of payments to be made are in agreement with the schedules of certified vouchers, to assure that no payment will be made without proper certification.

b. If a voucher is certified by a person without proper authority (see 4 FAH-3 H-335.1-1), the USDO should defer payment and return the voucher to the post where certified, with an explanation provided for non-payment.

c. Verification may be performed by statistical sampling procedures which conform to those approved by the General Accounting Office for the examination, approval and certification of vouchers. (31 U.S.C. 3521; Subsection 7.4E Title 7, and Title 3, GAO Policy and Procedures Manual.). Statistical sampling, which must be specifically approved for a post by the Deputy Assistant Secretary for Financial Services (FMP/F), is currently authorized for vouchers not in excess of \$2,500. (see 4 FAH-3 H-425.3)

d. The USDO shall keep a record of all verifications made, which includes a signature, title and date, to meet audit requirements by the Office of Inspector General or evaluations of requests for relief by the General Accounting Office. (See 4 FAH-3 H-416 and FMS/DUM, section 4.2 Exhibit A.)

e. In a RAMC, where the volume of certified schedules creates an inordinate workload for the USDO to personally verify each schedule, or in emergency situations, the USDO may delegate the verification to a staff member who has proper qualifications and training and is designated as a USDO. The USDO who delegates the verification of vouchers should perform such monitoring functions as necessary to insure that verifications are properly made and recorded.

4 FAH-3 H-335.1-3 Executing Payments

(TL:FMP-2; 4-30-95)

The USDO personally enters the transaction which will allow the payment process to continue after verification. This execution step may be delegated by the USDO in writing to a non-USDO.

4 FAH-3 H-335.1-4 Recording Disbursements

(TL:FMP-2; 4-30-95)

All disbursements are recorded daily in the appropriate computerized USDO accountability records. (FMS/DUM section 4.0)

4 FAH-3 H-335.2 Effecting Payment to Payee

4 FAH-3 H-335.2-1 Receipting Requirements

(TL:FMP-2; 4-30-95)

a. A canceled check normally is sufficient receipt when the payment is by local bank check (cashier bank account) to a payee.

b. A payment by local bank check (cashier bank account), where local laws do not permit paid checks to be released to the USDO and the bank will not furnish a list of paid checks require the receipting signature of the payee on the original voucher (see 4 FAM 350).

c. The receipting signature of the payee on the voucher is not required when the payee's receipted invoice is attached to the original voucher. In such instances, the statement "see attached receipt" is shown on the voucher in the receipting space.

d. When it is inconvenient or impractical to have the payee sign the original voucher or invoice, the receipt of the payee can be on a memorandum copy which properly identifies the voucher number of the original voucher. The receipted copy of the voucher is attached to the original voucher.

e. If a cashier is unable to obtain the payee's signature, a statement to that effect is made on the voucher over the signature of the cashier.

4 FAH-3 H-335.2-2 Delivery of Payment

(TL:FMP-2; 4-30-95)

a. Payments by Treasury check and local bank check are normally delivered through the regular postal channels to the address specified by the payee.

b. Where postal service is unreliable, checks will be returned to the local cashier for distribution.

c. Payments by cash are made by the cashier. The FMO or cashier may designate an employee as an "Occasional Moneyholder" to deliver such cash payments to payees, as follows (See 4 FAM 065):

—The cashier or designee prepares an envelope with the name and address of the payee on it.

—The cashier gives the exact amount of cash, the original voucher, and the envelope to the messenger.

—The messenger counts the money, and seals it in the envelope in the presence of the cashier.

—The messenger signs a receipt for the funds received.

—The messenger obtains the payee's signature on the original voucher to acknowledge the cash received.

—The messenger returns the receipted voucher to the cashier from whom the messenger received the cash and collects a receipt in exchange.

d. Cashier payments by local bank check which require the receipting signature of the payee (See 4 FAH-3 H-335.2-1 b) are handled in the same manner as payments by cash.

e. For payments to employees, the administrative officer, after consultation with the FMO, determines an appropriate procedure for the delivery of checks.

4 FAH-3 H-335.2-3 By Fiscal-Serviced Post

(TL:FMP-2; 4-30-95)

Checks to be delivered by a fiscal-serviced post are forwarded by the USDO to the post cashier, with a copy of the payment voucher or a list of payments. The post cashier makes the payment in accordance with the provisions of this section.

4 FAH-3 H-335.2-4 Power of Attorney

(TL:FMP-2; 4-30-95)

a. When a payment is requested by an agent acting under a power of attorney, the post administrative officer or FMO obtains the power of attorney for retention in the FMO files. The voucher covering the payment is made payable to the vendor, not to the agent under the power of attorney. The voucher includes the statement that the power of attorney is still in full force and effect, and is on file in the FMO office.

b. When payment is made by cash, or by local bank check which requires the receipting signature of the payee on the voucher, the third party (agent) is required to receipt the original voucher in the following manner:

Name of Vendor
(signed) John Doe
Attorney in Fact

4 FAH-3 H-336 DISBURSING FOR OTHER AGENCIES

4 FAH-3 H-336.1 General Provisions

4 FAH-3 H-336.1-1 Authority

(TL:FMP-2; 4-30-95)

Requests by other U.S. Government Departments and Agencies for the use of the disbursing facilities of a USDO are made to the Department of State, Bureau of Finance and Management Policy, Office of International Financial Services (FMP/F/IFS). No additional authorization or notification from the Department of the Treasury is necessary (1 TFM 4-2050.20).

4 FAH-3 H-336.1-2 Authorizations

(TL:FMP-2; 4-30-95)

a. No disbursements are made for other departments or agencies in the absence of specific instructions except as specified in this section. The amount authorized is not to be exceeded unless specifically authorized by the department or agency.

b. The following disbursements may be made without specific authorization:

(1) The receipt of a telegram indicating that a reply is necessary, with the caption "For Labor," "For Treasury," etc., followed by the symbol of the appropriation and allotment chargeable (including the bureau code for a nonserviced agency), automatically authorizes the receiving office to reply thereto at the expense of the interested organization without further clearance from the department or agency concerned.

(2) Officials of other departments or agencies when traveling abroad must present a letter of authorization to incur expenses for that department or agency. Such letter of authorization should state the specified purposes within certain limitations, for certification and payment by a USDO. The letter must also include the authorizing agency's accounting classification and mailing

address for financial reports, and be endorsed by FMP/F/DFS. When a USDO makes a payment or a certifying officer certifies a voucher against such a letter, the officer endorses the letter to show in dollars the amount of the voucher certified or paid. No certifying officer may certify any voucher for an amount exceeding the balance shown on the authorization.

(3) The payment of interest penalties, as required by the Prompt Payment Act, are to be made out of the amounts available to the agency to carry out the program for which the penalty is incurred (see 4 FAH-3 H-0422.1-4 d).

4 FAH-3 H-336.2 Disbursements Requested by the Department of the Treasury

4 FAH-3 H-336.2-1 Authority

(TL:FMP-2; 4-30-95)

The Department of the Treasury receives from other Government agencies numerous vouchers payable in foreign countries, as well as requests by letter for certain payments to be made overseas. A USDO may make such payments upon written authorization from the CDO or a designated employee of the CDO. The names, titles, and facsimile signatures of Department of the Treasury personnel who authorize such payments are furnished by FMP/F/IFS to the fiscal-servicing posts. A file of current names, titles, and signatures of such employees is maintained by the USDO.

4 FAH-3 H-336.2-2 Class of Payments

(TL:FMP-2; 4-30-95)

For the purpose of this section, payments made at the request of the Department of the Treasury are of two classes:

a. A Standard Payment is made on the basis of a voucher received from the Department of the Treasury for an agency serviced by the Department of the Treasury. The CDO or a designated CDO employee, forwards the voucher form, normally Form SF-1166 (Voucher And Schedule Of Payments), in duplicate to the appropriate USDO by transmittal letter (Treasury Form FS:FO 1197). The transmittal letter, bearing the reference symbol "TR-USDO", is serially numbered and contains certification of the authenticity of the signature of the person who certified the voucher. Each voucher shall:

(1) Include the transmittal letter which furnishes the bureau schedule number and the amount payable; and

(2) State the currency to be used in making the payment.

b. A voucher to be paid in foreign currency:

(1) Is headed "Payable in Foreign Currency" in the payee and address column, with the type of currency shown at the head of the amount column;

(2) With an unknown U.S. dollar equivalent, the dollar amount is recorded in a separate column headed "U.S. Dollar Equivalent". The USDO inserts the amount of foreign currency actually paid in the amount column of the voucher;

(3) In either foreign currency or U.S. dollars is headed "Pay in U.S. Dollars or Foreign Currency Equivalent." In such case, the form of payment depends upon USDO holdings and the local circumstances; and

(4) The USDO inserts in the appropriation summary block the U.S. dollar equivalent(s) of the total charge to the appropriation(s) and the rate of exchange. The voucher is paid from the FSA account, recorded in the accounts and reported to the agency in the same manner as any other payment. The accounts are sent to the address cited on the voucher or the transmittal letter as the address to be used for accounting purposes.

c. A special payment is made on the basis of a letter or telegram received from the Department of the Treasury, for an agency having its own disbursing function, but not in the particular foreign country in which the specific payment is required.

(1) Vouchers for special payments are retained by the originating agency. The CDO requests the assistance of the appropriate USDO by a written request which contains complete instructions for effecting the payment, the accounting, and the reporting.

(2) Special payments are not reported on an Form SF-1221 (Statement Of Transactions According To Appropriations, Funds, And Receipt Accounts (Foreign Service Account)), but are reported on Form SF-1218, line 4.3d "Payments for Another Disbursing Officer."

4 FAH-3 H-336.3 Reimbursable Basis Disbursements

(TL:FMP-2; 4-30-95)

a. A certifying officer should make every effort to obtain the responsible agency fund citation to avoid charging of a Department account which will require a billing by FMP/F/DFS (see 4 FAH-3 H-454).

b. Disbursements on a reimbursable basis are payments for another U.S. agency as a service and are permitted on a limited basis. Repayment is by billing, for which a receivable is reported to FMP/F/DFS for recording and collecting. Such payments, limited to \$2,000 or less without specific authorization from FMP/F/DFS, include landing fees, communications, flight clearances, emergency medical expenses of a local employee for illness or injury incurred in the performance of duty, etc.

c. If unable to charge another agency directly, then the fiscal data charged should be maintained in a separate subsidiary record. Credit the collection as a reimbursement to the appropriation originally charged with the expense. This authority should be used as a last resort.

4 FAH-3 H-337 USDO AND CASHIER REPORTING

4 FAH-3 H-337.1 Basic Requirement

(TL:FMP-2; 4-30-95)

Each USDO is required by law (31 U.S.C. 3522) to render an account in accordance with rules and regulations prescribed by the Secretary of the Treasury for all official funds collected and disbursed while acting in an official capacity for the duration of formal designation.

4 FAH-3 H-337.2 Monthly Reports

(TL:FMP-2; 4-30-95)

At the close of each month and at the other times specified in 4 FAH-3 H-337.4 , a USDO submits to the Treasury Department an accounting for all financial transactions and funds that make up a USDO's accountability. At such times, a USDO also reports to the Department, and to each other agency (or bureau within an agency) being provided services for collection and disbursement. Whenever a report or supporting document cannot be submitted on schedule, a USDO submits in lieu thereof a statement giving the reason for the omission and the estimated date when the report or

documentation will be mailed. The following USDO and accounting reports are submitted to (see 4 FAH-3 H-338):

a. Treasury

—Form SF-1218, Statement of Accountability;

—Form SF-1221, Statement of Transactions;

—Form FS-488, Foreign Currency Statement of Transactions and Account Current; and

—Form SF-1179, Recapitulation Of Block Control Level Totals Of Checks Issued.

b. GSA

—Original Transportation Vouchers with Government Transportation Requests (GTRs); and

—Form SF-1221, Statement of Transactions, which includes GSA charges.

c. Serviced Agencies (for allotment accounting)

—Form SF-1221, Statement of Transactions;

—Form FS-488, Statement of Transactions and Account Current; and

—Form FS-478, Net Disbursements and Collected Reimbursements Report.

d. For agency-held accounts (allotments), a servicing FMC/RAMC also submits the following accounting and financial reports with supporting documentation:

—Form FS-477, Register Of Inter-Office Transfers; and

—Accounting Data Record, copy of basic voucher or Voucher Auditor Detail Report (VADR) or other suitable document for agency use as agreed to by State.

e. Non-Serviced (Disbursing Only) Agencies (no allotment accounting):

—Form SF-1221, Statement of Transactions; and

—Accounting Data Record—copy of basic voucher, or Voucher Auditor Detail Report (VADR) or other suitable accounting document for agency use as agreed to by State.

f. Serviced Posts

- Status of Funds Report (RAMC/FMC 60), prepared by FMC/RAMC;
- Report of Obligations (RAMC/FMC 62), prepared by FMC/RAMC;
- Report of Incoming Form FS-477 Posted;
- Listing of Vouchers Processed; and
- Listing of Collections Processed, General Receipt (Form OF-158).

4 FAH-3 H-337.3 Submission of Reports and Financial Documents

(TL:FMP-2; 4-30-95)

Reports and documents for serviced agencies and bureaus are mailed to the addresses maintained in the USDO's address reference file. The ZIP code must always be included in the address, even when using the diplomatic pouch. For agencies at Washington, D.C., the listed ZIP code is applicable solely to the agency or bureau shown, and is used in lieu of a street address.

4 FAH-3 H-337.4 Final Reports

(TL:FMP-2; 4-30-95)

a. The final accounts of a USDO are marked "FINAL ACCOUNT" and are dispatched within 3 workdays, to the CDO and to FMP/F/IFS and to serviced agencies within 10 calendar days, after the last day the officer acts as USDO at the FMC/RAMC.

b. If the last day of duty is not the last day of a calendar month, the final accounts of the USDO should show only the partial month, e.g., "Partial month from May 1 to May 21, 19XX, inclusive" and the balances for which the USDO was accountable have been transferred to a successor USDO.

c. The outgoing USDO advises the Department (FMP/F/IFS) of the date the accounts were closed and the number of the last Treasury check issued, by telegram, subject: CHANGE OF DISBURSING OFFICER.

4 FAH-3 H-337.5 Reporting Under Special Circumstances

(TL:FMP-2; 4-30-95)

USDO accounting reports are prepared and signed under special circumstances in the following manner:

(1) USDO Temporarily Absent. The accounting reports are prepared in the name of the USDO and signed by the Assistant USDO for the absent USDO.

(2) Disabled USDO. The accounting reports are prepared by the Assistant USDO or by another American officer, but the reports are signed by the USDO if at all possible. If the USDO is unable to sign the reports, the reports are signed by the preparer of the reports, in the following manner:

(Typed name of USDO)

United States Disbursing Officer
by (Signature of signing officer)

(Title of signing officer)

Whenever the reports are signed by an officer other than the Assistant USDO, the reason is stated thereon.

(3) Death of USDO. The Assistant USDO prepares the final accounting reports of the deceased officer and signs in the following manner:

(Typed name of USDO)—deceased

by United States Disbursing Officer
(Signature of signing officer)

Assistant United States Disbursing Officer

4 FAH-3 H-337.6 Post Copies of Disbursing Documents

4 FAH-3 H-337.6-1 Original Voucher File (OVF)

(TL:FMP-2; 4-30-95)

a. For State Department only. A completed copy of each disbursing report with original supporting documents (collection documents, certificates, vouchers, telegram authorizing payment, etc.) which make up the USDO's monthly accounts is retained in the Original Voucher File (OVF) of the USDO for administrative use and for audit purposes. This includes copies of reports and supporting documentation sent to other agencies.

b. For Agencies Other Than State. The USDO maintains original voucher files (OVF) without any supporting documents. The original supporting documentation is attached to the disbursement vouchers and forwarded together with the monthly Form SF-1221 to the agencies in Washington.

4 FAH-3 H-337.6-2 Classified, Unclassified or Controlled Documents

(TL:FMP-2; 4-30-95)

a. Unclassified supporting documents are grouped by type of transaction, i.e., collection or disbursement, and filed in numerical sequence.

b. All classified or controlled documents are filed in a classified file. Such documents are not made available for inspection by any person other than the principal officer, or their designee, in writing and officials of the Office of Inspector General.

c. USDO copies of appropriation 19X0522 documents, whether classified, controlled, or unclassified, are filed together in a separate classified file.

4 FAH-3 H-337.6-3 File Retention

(TL:FMP-2; 4-30-95)

The monthly account files are retained and eventually disposed of in accordance with the schedules and procedures contained in the Records Management Handbook Appendix B, i.e. RAMC files are retained for 18 months.

4 FAH-3 H-338 REPORTING FOREIGN SERVICE ACCOUNTABILITY (FSA) TRANSACTIONS

4 FAH-3 H-338.1 Form SF-1221, Statement of Transactions

4 FAH-3 H-338.1-1 Basic Requirements

(TL:FMP-2; 4-30-95)

After the close of each monthly accounting period, or upon relinquishing accountability to a successor USDO, the USDO reports the FSA transactions (payments and collections for that month only) on Form SF-1221 by

appropriation/agency location code (ALC), see FMS/DUM, section 7.0, Month End Processing.

4 FAH-3 H-338.1-2 Administrative Examination of State Form SF-1221

(TL:FMP-2; 4-30-95)

a. The Department of State is required by law (31 U.S.C. 3521) to make an administrative audit and approve the accounts of a disbursing officer before such accounts are submitted to the GAO. The Secretary has authority to designate the place at which the examination will be performed.

b. Pursuant to this authority, responsibility is hereby delegated to the RAMC Director or supervising FMO of the FMC or their designee to administratively examine and approve State Form SF-1221 and supporting documents (whether prepared manually or by the automated system). The officer who examines and approves Form SF-1221 cannot simultaneously serve or act as the paying USDO.

c. An approving officer's signature on Form 1221 certifies that the statement has been:

- Personally examined;
- Reconciled with administrative records; and
- Administratively approved, except as noted.

d. During the administrative examination, reconciliation and approval of statements of transactions, the approving officer ensures that:

- The statement has been prepared (either manual or automated) in all essential details as prescribed by these regulations.
- The supporting documents are assembled and collated as required and sent to the appropriate agencies.
- Form FS-478, Report of Disbursements by Allotment (see section 266), has been prepared and forwarded at the end of each month.

e. Transactions which for any reason do not qualify for approval are listed on Form SF-1221 as an exception. Adjusting action is taken during the next accounting period and noted on the next Form SF-1221. Corrections are not entered retroactively in the post fiscal records after the verification of cash (see 4 FAH-3 H-316).

4 FAH-3 H-338.1-3 Appropriation 19X0522 Transactions

(TL:FMP-2; 4-30-95)

Expenditures from funds appropriated under 19X0522, Emergencies in the Diplomatic and Consular Service, are reported on a separate Form SF-1221 and special handling is required.

4 FAH-3 H-338.1-4 FSA Collections from FT Accounts

(TL:FMP-2; 4-30-95)

a. FSA collections resulting from the transfer or sale of funds from FT accounts are reported to the benefiting organization on Form SF-1221.

b. FSA collections to account 203210 are reported on Form SF-1221 to the Financial Management Services, Department of the Treasury.

c. FSA collections to account 12X4336 are reported on Form SF-1221 to the Commodity Credit Corporation, Department of Agriculture.

4 FAH-3 H-338.2 Form SF-1218, Statement of Accountability

(TL:FMP-2; 4-30-95)

After the close of each monthly accounting period, and upon relinquishing accountability to a successor USDO, a USDO reports the FSA transactions and analysis of accountability on Form SF-1218 to the Treasury Department. See the FMS/DUM, section 7.0, Month End Processing for complete details on the preparation and submission of Form SF-1218.

4 FAH-3 H-338.3 Reporting to Administrative Agencies

4 FAH-3 H-338.3-1 Special Reporting of Departmental Accounts

(TL:FMP-2; 4-30-95)

In addition to submission of reports and documents required under 4 FAH-3 H-337.2, special reporting is required for certain accounts. Special instructions for vouchers, receipts and collection documents (see FMS/DUM) to be sent to FMP/F/DFS/FO/A are as follows:

(1) State 19X0522, Emergencies in the Diplomatic and Consular Service—Submit all supporting documents and all vouchers including Form SF-1166 and Form SF-1167 with copies of Form SF-1221.

(2) State 19F3875, Budget Clearing Account (Suspense), and State 19X6875, Suspense, Department of State—Forward a copy of the voucher for Washington-held allotments (except allotment 9941). The voucher copy submitted must be of such quality that copies can be reproduced for the depositor.

(3) State—All appropriations—Send a copy of voucher or Voucher Auditor Detail Report (VADR) for travel advance memorandum account 9035, 9056 and 9056 along with the FS-477.

(4) State—Permanent Change of Station Allotment 2025—Send a copy of the voucher, VADR or other accounting document that indicates the gross and net weight and the points of origin and destinations of household effects shipped.

(5) Copies of receipts or supporting documents for the following accounts are forwarded with monthly reports:

—State 19X8821—Unconditional Gift Fund;

—State 19X8822—Conditional Gift Fund;

—State 193220—General Fund Proprietary Receipt Account-Repayment of Loans, Diplomatic and Consular Service; and

—State 19X6133—Payment of Unclaimed Monies.

4 FAH-3 H-338.4 Reporting Foreign Transactions (FT) Accounts

(TL:FMP-2; 4-30-95)

After the close of each monthly accounting period, and upon relinquishing accountability to a successor, a USDO reports the FT transaction activity on Form FS-488, Foreign Currency Statement of Transaction and Account Current as follows:

—For Treasury.

—For State and each other agency serviced which has foreign currency activity or an unapplied balance.

4 FAH-3 H-339 SPECIAL REPORT ON INTERNATIONAL DISBURSEMENTS

4 FAH-3 H-339.1 Purpose

(TL:FMP-2; 4-30-95)

The Department of Commerce report is required for analysis of the United States balance of payments and thus must be timely and complete. Information is furnished by each USDO for consolidation with data available in FMP/FO/A to prepare a report of the Department's disbursement transactions by country. The USDO data is extrapolated from the regular monthly 1221 reports submitted to FMP/F/DFS/FO/A.

4 FAH-3 H-339.2 Post Reporting Requirements

(TL:FMP-2; 4-30-95)

A report of Department of State disbursements chargeable to dollar accounts for each 3-month calendar quarter is prepared as follows:

(1) For posts with an FMC (where both accounting and disbursing services are performed), the FMC USDO prepares the report for the country. If American and/or local personnel salaries are paid by a RAMC, the FMC/USDO excludes these disbursements from its report since they are reported by the RAMC/USDO.

(2) For countries receiving services from a RAMC or FMC, the USDO of the RAMC/FMC prepares a report of disbursements made for each country.